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McFARLANE, LL

FBIS 13 (OUT OF SEQUENCE)

PERES: LATEST ISRAELI PROPOSALS 'A FINAL OFFER'

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(TEXT) DEFENSE MINISTER SHIM'ON PERES HAS DISCLOSED THAT THE LATEST ISRAELI PROPOSALS FOR AN INTERIM SETTLEMENT WERE A FINAL OFFER. SPEAKING TO THE NEWSPAPER HAARETZ, THE DEFENSE MINISTER SAID THAT ISRAEL HAD ALREADY GONE A LONG, LONG WAY AND IT WAS HARD FOR HIM TO ENVISION ANY MORE CONCESSIONS. PERES SAID THAT PERHAPS EGYPT'S PRESIDENT AS-SADAT BELIEVES HE CAN FURTHER HARM U.S.-ISRAEL RELATIONS BY TRYING TO FORCE WASHINGTON TO SQUEEZE A BIT MORE OUT OF ISRAEL, OR PERHAPS EGYPT BELIEVES THAT IT COULD FURTHER SOFTEN ISRAEL'S STAND. IF THIS IS TRUE, THE DEFENSE MINISTER ASSERTED, THIS IS A MISTAKE. HE ADDED THAT THE PASSES WOULD NOT BE SURRENDERED SO THAT EGYPT COULD USE THEM THE BETTER TO WAGE WAR AGAINST ISRAEL. THE ISRAELI PROPOSALS DID NOT INCLUDE CONCESSIONS OF THE STRATEGIC VALUE OF THE PASSES BUT ONLY ALTERNATIVE DEPLOYMENT. HOWEVER, IT WAS POSSIBLE THAT THESE PROPOSALS WERE MERELY THEORETICAL BECAUSE OF EGYPT'S POSITION. IF THE EGYPTIAN ANSWER WAS FINAL, THIS WAS A SIGN THAT CAIRO DID NOT WANT TO SETTLE. THEN ISRAEL WOULD HAVE NOTHING TO OFFER.

ON EGYPT'S PRESIDENT AS-SADAT, PERES SAID THAT IT IS IMPOSSIBLE TO BUILD AN AGREEMENT ON TRICKERY AND THAT IT IS ALSO NOT LOGICAL JUST BEFORE AN AGREEMENT FOR AS-SADAT TO DESCRIBE ISRAEL AS A DAGGER. PERES CONCLUDED THAT EGYPT'S ANSWER SHOWS THAT IT WANTS A GREAT DEAL FROM ISRAEL IN EXCHANGE FOR NOTHING.

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